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KWOON CHUNG BUS HOLDINGS LIMITED

冠忠巴士集團有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 306)

DELAY IN DESPATCH OF CIRCULAR REGARDING CONNECTED TRANSACTIONS

The Company has made an application to the Stock Exchange for further extension of the time limit for the despatch of the Circular to on or before 4 April 2008.

Reference is made to the Company's announcements dated 15 November 2007 and 6 December 2007, inter alia, in relation to the connected transactions (the "Announcements"). Terms defined in the Announcements shall have the same meanings when used herein unless the context requires otherwise.

Pursuant to Rule 14A.49 of the Listing Rules, the Company is required to despatch to Shareholders a circular (the "Circular") within 21 days after publication of the Announcement dated 15 November 2007, which should be on or before 6 December 2007. Also, pursuant to the Announcement dated 6 December 2007, the despatch of the Circular was expected to be delayed to on or before 4 January 2008. Since 6 December 2007, the Company has been providing the necessary evidence to the valuers and the Company's valuers have been drafting their valuation reports. However, additional time is required for:

- (1) the Company's property valuer to clarify/supplement the property valuation report with additional details; and
- (2) the Company to re-appoint an independent business valuer with more appropriate professional qualifications and experience to the satisfaction of the Exchange to provide a business valuation report,

an application has been made by the Company to the Stock Exchange for further extension of the time limit for the despatch of the Circular. The Company expects the Circular will be despatched to the Shareholders on or before 4 April 2008.

As at the date of this announcement, the Board comprises Mr. Wong Chung Pak, Thomas, Mr. Wong Wing Pak, Mr. Wong Leung Pak, Matthew, Mr. Lam Sze Hoo, Christopher, Mr. Cheng Wai Po, Samuel, Mr. Lee Yin Ching, Stanley, Mr. Cheng King Hoi, Andrew, Mr. Ng King Yee, Mr. Chan Yu Kwong, Francis and Mr. Mok Wah Fun, Peter as executive Directors and Mr. Chan Bing Woon, SBS, JP, Mr. Sung Yuen Lam and Mr. Lee Kwong Yin, Colin as independent non-executive Directors.

By Order of the Board
Kwoon Chung Bus Holdings Limited
Wong Chung Pak, Thomas
Chairman

Hong Kong, 4 January 2008

* *For identification purposes only*